

FCC Form 481 - Carrier Annual Reporting Data Collection Form		FCC Form 481 OMB Control No. 3060-0586/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name: Person USAC should contact with questions about this data	Kenith Crose
<035>	Contact Telephone Number: Number of the person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address: Email of the person identified in data line <030>	FilingsRAD@tec.com
Form Type		54.313 and 54.422

REDACTED
FCC COPY

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2013

<010>	Study Area Code	280446
<015>	Study Area Name	RAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FillingRAD@telco.com

<110>	Has your company received its ETC certification from the FCC? if your answer to Line <110> is yes, do you have an existing \$54.202(a) "5 year plan" filed with the FCC?	<input type="radio"/> (yes / no)
<111>		<input type="radio"/> (yes / no)

If your answer to Line <111> is yes, please file a progress report, on line <112> delineating the status of your company's existing \$ 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

280446-MS-112.pdf

Name of Attached Document

Please select the appropriate responses below (Yes, No, Not Applicable) to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to §54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113>	Maps detailing progress towards meeting plan targets	Yes
<114>	Report how much universal service (USF) support was received	Yes
<115>	How much (USF) was used to improve service quality and how support was used to improve service quality	Yes
<116>	How much (USF) was used to improve service coverage and how support was used to improve service coverage	Yes
<117>	How much (USF) was used to improve service capacity and how support was used to improve service capacity	Yes
<118>	Provide an explanation of network improvement targets not met in the prior calendar year.	Yes

[illegible]

(300) Unfulfilled Service Request Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3050-0819 July 2013	
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<010> Study Area Code	280446
<015> Study Area Name	RAY SPRINGS TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FillingRAD@ec.com
<300> Unfulfilled service request (voice)	0
<310> Detail on attempts (voice)	Name of Attached Document
<320> Unfulfilled service request (broadband)	4 280446-MS-330.pdf
<330> Detail on attempts (broadband)	Name of Attached Document

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0386/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	260446
<015>	Study Area Name	DAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenich Crowe
<035>	Contact Telephone Number - Number of person identified in data line <030>	6023549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	fillings@advice.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed voice
<410>	Complaints per 1000 customers for fixed voice	0.0
<420>	Complaints per 1000 customers for mobile voice	
<430>	Select from the drop-down list to indicate how you would like to report end-user customer complaints (zero or greater) for broadband service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	Offered only fixed broadband
<440>	Complaints per 1000 customers for fixed broadband	0.244
<450>	Complaints per 1000 customers for mobile broadband	

[500] Compliance With Service Quality Standards and Consumer Protection Rules Data Collection Form		FCC Form 481 OMB Control No. 3050-0986/OMB Control No. 3050-0819 July 2013
<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenich Crowe
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549076 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	flinger@adotec.com
<500>	Certify compliance with applicable service quality standards and consumer protection rules	Yes
		280446-MS-510.pdf
<510>	Descriptive document for Service Quality Standards & Consumer Protection Rules Compliance	

(600) Functionality in Emergency Situations		FCC Form 481
Data Collection Form		OMB Control No. 3060-0986/OMB Control No. 3060-0819
		July 2013
<010>	Study Area Code	260446
<015>	Study Area Name	RAY SPKING TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenish Crowe
<035>	Contact Telephone Number - Number of person identified in data line <030>	603549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Pilling@RADatec.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	260446-MS-610.pdf

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	250446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Fillingrad@tcc.com
<701>	Residential Local Service Charge Effective Date	1/1/2016
<702>	Single State-wide Residential Local Service Charge	

[illegible]

(710) Broadband Price Offerings
Data Collection Form

PCC Form 481
OMB Control No. 3060-0086/OMB Control No. 3060-0819
July 2013

280446

<010> Study Area Code
<015> Study Area Name BAY SPRINGS TEL CO
<020> Program Year 2017
<030> Contact Name - Person USAC should contact regarding this data Kenith Crose
<035> Contact Telephone Number - Number of person identified in data line <030> 6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030> FilingsRADetec.com

State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rate and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)

[illegible]

(900) Tribal Lands Reporting
Data Collection Form

ECG Form 481
OMB Control No: 3060-0986/OMB Control No: 3060-0819
July 2013

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingRAD@tec.com

<900> Does the filing entity offer tribal land services? (Y/N)

No

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

Select Yes or No or Not Applicable

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

(1000) Voice and Broadband Service Rate Comparability
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986 / OMB Control No. 3060-0819
JULY 2013

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsDAD@tcc.com

<1000> Voice services rate comparability certification

Yes

280446-MS-1010 .pdf

<1010> Attach detailed description for voice services rate comparability compliance

Name of Attached Document

Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1020> Broadband comparability certification

280446-MS-1030 .pdf

<1030> Attach detailed description for broadband comparability compliance

Name of Attached Document

(1100) No Terrestrial Backhaul Reporting Data Collection Form		FCC Form 481	
		OMB Control No. 3060-0986/OMB Control No. 3060-0819	
		July 2013	

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FillingRAD@tec.com

Yes

<1100> Certify whether terrestrial backhaul options exist (Y/N)

--

<1130> Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).

(1200) Terms and Condition for Lifeline Customers

Lifeline

Data Collection Form

FCC Form 487

OMB Control No: 3060-0986/OMB Control No: 3060-0819

July 2013

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP <https://www.tec.com/Terms#lifeline>

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation
 Data Collection Form
 Including Rate of Return, Carriers Affiliated with Price Cap Local Exchange Carriers

OMB Form 481
 OMB Control No. 3060-0386/OMB Control No. 3060-0819
 July 2013

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	601.354.9070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	Filings@adirec.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of Incremental High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

<2010> 2nd Year Certification 47 CFR § 54.313(b)(1)(i) - Note that for the July 1 2016 certification, this applies to Round 2 recipients of Incremental Support

<2011> 3rd Year Certification 47 CFR § 54.313(b)(1)(ii) - Note that for the July 1 2016 certification, this applies to Round 1 recipients of Incremental Support

<2022> Recipient certifies, representing year two after filing a notice of acceptance of funding pursuant to 54.312(c), that the locations in question are not receiving support under the Broadband Initiatives Program or the Broadband Technology Opportunities Program for projects that will provide broadband with speeds of at least 4 Mbps/1Mbps - 54.313(b)(2)(i). Round 2 recipients only.

<2023> The attachment on line 2024 includes a statement of the total amount of capital funding expended in the previous year in meeting Connect America Phase I deployment obligations, accompanied by a list of census blocks indicating where funding was spent. This covers year two - 54.313(b)(2)(ii). Round 2 recipients only.

<2024A> Round 2 Recipient of Incremental Support?

<2024B> Attach list of census blocks indicating where funding was spent in year two - 54.313(b)(2)(iii). Round 2 recipients only.

<2025A> Round 1 or Round 2 Recipient of Incremental Support?

<2025B> Attach geocoded Information for Phase I milestone reports (Round 1 for year three and Round 2 for year two) - Connect America Fund, WC Docket 10-90, Report and Order, FCC 13-

<2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Name of Attached Document Listing
Required Information

Name of Attached Document Listing
Required Information

(2000) Price Cap Carrier Additional Documentation (Continued)
 Data Collection Form
 Including Rate of Return, Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481
 OMB Control No. 3050-0086/OMB Control No. 3060-0819
 July 2013

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017B> Attach information for Phase II - 54.313(e)(1) - list of geocoded locations already meeting the 54.309 public interest obligations at the end of calendar year 2015 and total amount of Phase II support, if any, the price

cap carrier used for capital expenditures in 2015.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(2)(iii)

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(2)(v)

<2020> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 40% of its supported locations in the state on December 31, 2017 - 54.313(e)(3)

<2021> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 60% of its supported locations in the state on December 31, 2018 - 54.313(e)(4)

<2026> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 80% of its supported locations in the state on December 31, 2019 - 54.313(e)(5)

<2027> Recipient certifies that it offered broadband meeting the requisite public interest obligations specified in §54.309 to 100% of its supported locations in the state on December 31, 2020 - 54.313(e)(6)

Name of Attached Document Listing
Required Information

Name of Attached Document Listing
Required Information

3005) Rate of Return Carrier Additional Documentation	OMB Control No. 3020-0085/OMB Control No. 3020-0019
Data Collection Form	OMB Control No. 3020-0085/OMB Control No. 3020-0019

<010>	Study Area Code	280446
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

Complete the items below to note compliance with five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3009)	Progress Report on 5 Year Plan Carrier certifies to 54.313(f)(1)(iii)	
(3010A)	Milestone Certification {47 CFR § 54.313(f)(1)(i)}	Yes - Attach Certification
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3012A)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	Yes - Attach New Community Anchors
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information
(3013)	Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))	<input checked="" type="radio"/> <input type="radio"/>
(3014)	If yes, does your company file the RUS annual report	(Yes/No) <input checked="" type="radio"/> <input type="radio"/>
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	<input checked="" type="checkbox"/>
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	<input checked="" type="checkbox"/>
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No) <input type="radio"/> <input type="radio"/>
(3019)	If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: Either a copy of their audited financial statement; or	<input type="checkbox"/>
(3020)	(2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3021)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3022)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit. If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to § 54.313(f)(2), contains: Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	<input type="checkbox"/>
(3023)	Underlying information subjected to a review by an Independent certified public accountant	<input type="checkbox"/>
(3024)	Underlying information subjected to an officer certification.	<input type="checkbox"/>
(3025)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	<input type="checkbox"/>
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information

(3005) Rate Of Return Carrier Additional Documentation (Continued)
Data Collection Form

ICC Form 481
OMB Control No. 3060-0086 OMB Control No. 3060-0615
July 2013

<010>	Study Area Code	280445
<015>	Study Area Name	BAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035>	Contact Telephone Number - Number of person identified in data line <030>	5013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	F11ngsRAD@ec.com

Financial Data Summary	
(3027) Revenue	
(3028) Operating Expenses	
(3029) Net Income	
(3030) Telephone Plant In Service(TPIS)	
(3031) Total Assets	
(3032) Total Debt	
(3033) Total Equity	
(3034) Dividends	

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
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<010>	Study Area Code	290446
<015>	Study Area Name	SAY SPRINGS TEL CO
<020>	Program Year	2017
<030>	Contact Name - Person USAC should contact regarding this data	Knith Crowe
<035>	Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	FilingRAD@tel.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations, provide a list of newly served community anchor institutions, and provide a list of locations where broadband has been deployed.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)

Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband to the identified locations meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas?

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.

Broadband Deployment Locations – FCC 14-98 (paragraph 80)

4004a. Attach a list of geocoded locations to which broadband has been deployed as of the June 1st immediately preceding the July 1st filing deadline for the FCC Form 481.

4004b. Attach evidence demonstrating that the recipient is meeting the relevant public service obligations for the identified locations. Materials must at least detail the pricing, offered broadband speed and data usage allowances available in the relevant geographic area.

Certification - Reporting Carrier Data Collection Form	FEG Form 48 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2015
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<010> Study Area Code	280446
<015> Study Area Name	BAY SPRINGS TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: BAY SPRINGS TEL CO	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier: 280446	Filing Due Date for this form: 07/01/2016
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent/Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0886/OMB Control No. 3060-0819 July 2015
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<010> Study Area Code	280446
<015> Study Area Name	BAY SPRINGS TEL CO
<020> Program Year	2017
<030> Contact Name - Person USAC should contact regarding this data	Kenith Crose
<035> Contact Telephone Number - Number of person identified in data line <030>	6013549070 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	FilingsRAD@tec.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent Firm: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Name of Authorized Agent Employee: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

FCG Form 481
OMB Control No. 3060-0986/OMB Control No: 3060-0819
JULY 2013

BAY SPRINGS TEL CO

2017

Kenith Crose

6013549070 ext.

FillingsRATED.com

1/1/2016

<703>

OMB Form 481
 OMB Control No. 3060-0986/OMB Control No. 3060-0819
 July 2013

280446

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FCC Form 481
OMB Control No. 3060-0985 OMB Control No. 3060-0819
July 2013

[illegible]

CONFIDENTIAL
NOT FOR PUBLIC INSPECTION

Five-Year Network Improvement Plan and Progress Report
For Bay Springs Telephone Company Inc.

In its *USF/ICC Transformation Order* and subsequent Orders, the Federal Communications Commission (“FCC” or “Commission”) required Eligible Telecommunications Carriers (“ETCs”) to submit a five-year build-out plan in a manner consistent with Section 54.202(a)(1)(ii) of the Commission’s Rules by July 1, 2014 and to submit annual progress reports thereafter.¹ In its *March 5, 2013 Order*, the FCC specified that for rate-of-return carriers, the five-year plans “should describe the carrier’s network improvement plan, which should provide greater visibility into current plans to extend broadband service to unserved locations in rate-of-return service territories.”² Bay Springs Telephone Company Inc. (“Bay Springs” or the “Company”) is a rate-of-return carrier ETC and hereby submits its five-year network improvement plan progress report covering any progress made on the initial five-year network improvement plan submitted in 2015.

I. The Company’s Five-Year Network Improvement Plan

When the Commission adopted its five-year plan requirements for FCC-designated ETCs in its *2005 ETC Order*, it set forth the following criteria as to how the ETC is to describe with

¹ See *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Inter-carrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform—Mobility Fund*; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-61 (rel. Nov. 18, 2011) (*USF/ICC Transformation Order*) at Para. 587; *pets. for review denied, Direct Comm. Cedar Valley, et al v. FCC 11-161*, No. 11-9900 www.ca10.uscourts.gov/opinions/11/11-9900.pdf (10th Cir. filed May 23, 2014); see also *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 12-147 (rel. Feb. 12, 2012) at Para. 5 (amending Section 54.313(a)(1) to clarify this requirement); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Third Order on Reconsideration, FCC 12-52 (rel. May 14, 2012) at Para. 10 (changing the filing deadline for the annual reports from April 1 to July 1); *Connect America Fund et al.*, WC Docket 10-90 *et al.*, Order, DA 13-332 (rel. Mar. 5, 2013) (“*March 5, 2013 Order*”) at Para’s. 4, 6-9. Delaying Five-year Plan until July 1, 2014 see WC Docket No. 10-90, Order, DA 13-1115, Para. 8 (released May 16, 2013).

² *March 5, 2013 Order* at Para. 9 citing Section 54.202(a)(1)(ii).

“specificity” the proposed improvements or upgrades to the ETC's network throughout its service area:

(1) how signal quality, coverage, or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation; (2) the projected start date and completion date for each improvement and the estimated amount of investment for each project that is funded by high-cost support; (3) the specific geographic areas where the improvements will be made; and (4) the estimated population that will be served as a result of the improvements.³

In that order, the FCC clarified that service quality improvements in the five-year plan “do not necessarily require additional construction of network facilities.”⁴ Accordingly, the improvements listed in the plan may be projects related to the expansion of the network (one or multiple services), projects related to updating technology to accommodate new services or higher bandwidth or maintenance projects, such as to reduce trouble reports or replace outdated equipment. Additionally, in some cases, the projects may be ones that improve or upgrade the entire network rather than discrete areas within a study area or they may be ones that are ongoing projects that have no specific start and completion dates.

The instructions to the Form 481 state “[r]ecipients may describe where improvements are expected to occur by wire center or census block, as appropriate. To the extent no improvements are planned in specific areas, the five-year plan should so indicate.”⁵ The instructions also require that in subsequent annual progress reports which must include the total amount of universal support received must provide this information “broken out separately by

³ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) (“2005 ETC Order”).

⁴ *Id.*

⁵ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), July 2013, Line 112

the amount spent on capital expenses and the amount spent on operating expenses.”⁶

Accordingly, the Company’s five-year plan separately provides both capital expenditures and operating expenses.

A. The Company’s Major Network Improvement Projects

Based upon this framework, Appendix A updates the Company’s five-year plan submitted in 2015 and reflects Bay Springs’ major network improvement projects for the five calendar years 2016 through 2020⁷ along with the start and completion dates, capital costs, areas and population associated with those projects.

B. How These Projects Will Improve the Network

Due to budget restrictions from diminishing returns on investment from the *USF/ICC Transformation Order*, increased reporting requirements, as well as the loss of access revenue Bay Springs was forced to cancel the 2015 Shell remote fiber addition. Bay Springs invested heavily in 2015 in new mapping software and migration from old software to keep up with new reporting requirements. The Shelby remote upgrade was completed in 2015 as planned, this upgrade affects 814 residents and allows access to 4 mbps down 1 mbps up or faster high-speed internet services as well as providing more reliable phone service. The fiber build-out to the Bay Springs business district was also completed on schedule and will increase service reliability and provide greater bandwidth for the estimated 193 business owners and residents in the area.

⁶ Instructions for Completing FCC Form 481, OMB Control No. 3060-0986 (High-Cost), OMB Control No. 3060-0819 (Low-Income), July 2013, Line 112

⁷ Based upon informal discussions with the FCC, the initial five-year network improvement plan covered calendar years 2015 through 2019.

While there were no projects originally planned, in 2016 three new fiber improvement projects are now scheduled. Bay Springs is currently upgrading the Highway 531 remote, the Lorena remote, the Batte Remote, and the 911 service centers in the area. The Highway 531 remote upgrade affects 240 residents and will allow them access to 4 mbps down 1 mbps up or faster high-speed internet services as well as providing more reliable phone service will be completed within the year as planned. The Lorena remote upgrade affects 248 residents will and allow them access to 4 mbps down 1 mbps up or faster high-speed internet services as well as providing more reliable phone service will be completed within the year as planned. The Batte remote upgrade affects 106 residents will and allow them access to 4 mbps down 1 mbps up or faster high-speed internet services as well as providing more reliable phone service will be completed within the year as planned. The fiber upgrade to the 911 service centers will allow all residents in and around the Bay Springs service area access to more reliable emergency calling, we estimate this population to be 51,177.

The 2017 Springfield remote project is still scheduled, it will be added in the Polkville exchange, and will allow an estimated 330 residents access to high speed internet services at speeds of 4mbps/1mbps or higher.

The current 5-year plan has no fiber construction projects for program years 2018, 2019, and 2020. Ongoing projects include transport upgrades that will update antiquated technology which will soon be unsupported throughout the network and help reduce trouble tickets. Various other upgrades during this time include building improvements, new computers, new vehicles, and other work equipment; these will be used to replace outdated equipment and address maintenance issues. Bay Springs requires all batteries be tested regularly to insure reliability of the network under emergency situations, which means regular battery replacement

throughout the five years. Routine outside plant upgrade projects will be regarded as the normal course of business for maintaining plant facilities and the network. Finally there will be various broadband upgrades, and central office power upgrades. These projects will help to expand the network and update technology to allow higher broadband internet bandwidth speeds. See Appendix A for a full breakdown including cost of the various projects.

C. Estimated Capital Expenditures and Operating Expenses

The first table in Appendix B included herein specifies the capital expenditures (projects) in Appendix A, by Part 32 account, along with the respective year in which the expenditures are expected to occur. In the second table of Appendix B, the projected operating expenses are provided, including depreciation expense for both embedded plant investment and for capital expenditures, which begins when the capital expenditures are projected to be placed into service.

II. The Company's Progress Report on its Five-Year Network Improvement Plan

After cutting the Shell remote fiber additions from the 2015 budget all other improvement projects were met. The Shelby remote upgrade and Fiber to the Business district projects were completed on schedule in 2015. In addition to completing these 2015 projects, several projects have been added to calendar year 2016 and are on schedule to be completed by the end of the year. These projects include fiber additions to the Highway 531 remote, Lorena remote, Batte remote and the 911 emergency response centers with updated financial information provided on Appendix A. Bay Springs hereby provides the following required elements of its progress report to satisfy Form 481 reporting obligations.

A. The Amount of Universal Service Support Received by the Company

For the 2015 calendar year Bay Springs received a total [REDACTED] in high cost universal service support ("USF") through the following mechanisms:

- [REDACTED] for Interstate Common Line Support ("ICLS");
- [REDACTED] for High Cost Loop Support ("HCLS");
- [REDACTED] for ICC CAF Support;
- [REDACTED] Net Additive ("SNA").

B. How Bay Springs Has Used USF to Improve Service Quality, Coverage and Capacity

Section 254(e) of the Communications Act of 1934, as amended requires ETCs to use Universal Service support ("USF") "only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁸ Pursuant to Section 54.314 of the FCC's rules, in order for state-designated ETCs to receive USF for the coming year, states must annually file certifications by October 1 stating that all federal high-cost support provided to such carriers within the state "was used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended."⁹ ETCs not designated by a state must file similar certifications with the FCC.¹⁰

In its *USF/ICC Transformation Order*, the FCC clarified that prior to making the Section 254(e) certifications, states should conduct a "rigorous examination of the factual information" contained in the annual Section 54.313 reports, of which the five-year network

⁸ 47 U.S.C. § 254(e).

⁹ 47 C.F.R. § 54.314(a).

¹⁰ 47 C.F.R. § 54.314(b).

improvement plan and annual progress reports are a part, in determining whether they can certify that carriers' support has been used and will be used only for the purpose for which the support was intended.¹¹ The FCC said that it would also use the reports to verify certifications filed by ETCs that are not state-designated.¹² In this context, the Commission stated, "[i]n light of the public interest obligations we adopt in this Order, a key component of this [Section 254(e)] certification will now be that support is being used to maintain and extend modern networks capable of providing voice and broadband service."¹³

Essentially, under the existing rules and processes, the federal USF received by the Company and other incumbent rural telephone companies are, in fact, an integral part of the recovery of expenditures of rural incumbent local exchange carriers incurred in the provision, maintenance and upgrading of their provision of facilities and services for which the USF is intended. Bay Springs depends upon its receipt and utilization of federal universal service support to provide rural telephone customers with affordable and quality voice and broadband services.

Accordingly, given the critical role the network improvement plan as updated herein and the progress reports will have in the annual Section 254(e) certification process, Bay Springs' plan and progress reports demonstrate how the Company has used and will use USF not only for improvements and upgrades, but also for the provision and maintenance of the facilities and services to which the support was intended.

¹¹ See *USF/ICC Transformation Order* at Para. 612.

¹² *Id.*

¹³ *Id.* (emphasis supplied).

C. Maps Depicting the Company's Network Progress

Attached to this Five-Year Network Improvement Plan as Appendix C is Bay Springs' maps depicting the extent of the Company's network within its service area and indicating specific geographic areas associated with certain projects listed above.

D. Network Improvement Targets Not Met

The company met all planned network improvement targets in 2015. Additional projects have been added to calendar year 2016 and are on schedule to be completed by the end of the year.

Study Area Code
Study Area Name
Company Contact Name
Contact Telephone Number
Contact Email Address

280446
Bay Springs Telephone Company, Inc.
Lisa Wigginton
(601) 354-9070
FilinsRAD@TFC.com

APPENDIX A - PROJECT LIST FOR 2016-2020						Notes from JSI Separations Contact & Company Discussion		
Project	Start Date	Completion	Areas	Population(1)	Total Dollars	Part 32 Account	Voice, Broadband, Both, etc.	
Fiber to Hwy 531 remote	2016	2016	Old Taylorsville Exchange 531 Remote	240		2410 Both		
Fiber to Lorena and Batte Remotes	2016	2016	Homewood Exchange Lorena Remote Batte Remote	354		2410 Both		
Fiber into 911 Centers	2016	2016	All Exchanges	51,177		2410 Both		
Polkville to Springfield Remote Add	2017	2017	Polkville Exchange Springfield Remote	330		2423 Both 2232 Both		
Transport Upgrade	2016	2020	All Exchanges	51,177		2111 Both 2212 Both		
Central Office Power Upgrades	2016	2020	All Exchanges	51,177		2212 Both		
Building Improvements	2016	2020	All Exchanges	51,177		2121 Both		
New Computers	2016	2020	All Exchanges	51,177		2124 Both		
New Vehicles	2016	2020	All Exchanges	51,177		2112 Both		
Battery Replacement	2016	2020	All Exchanges	51,177		2232 Both		
Test Equipment Upgrade	2016	2020	All Exchanges	51,177		2123 Both		
Other Work Equipment	2016	2020	All Exchanges	51,177		2114 Both		
Routine Outside Plant Upgrade Project	2016	2020	All Exchanges	51,177		2423 Both		
Broadband Upgrade and Expansions	2016	2020	All Exchanges	51,177		2232 Broadband		
Totals								

Study Area Code 280446
Study Area Name Bay Springs Telephone Company, Inc.
Company Contact Name Lisa Wigginton
Contact Telephone Num (601) 354-9070
Contact Email Address FilingsRAD@TEC.com

APPENDIX B: 5-Year Proposed Capital Expenditures and Operating Expenses

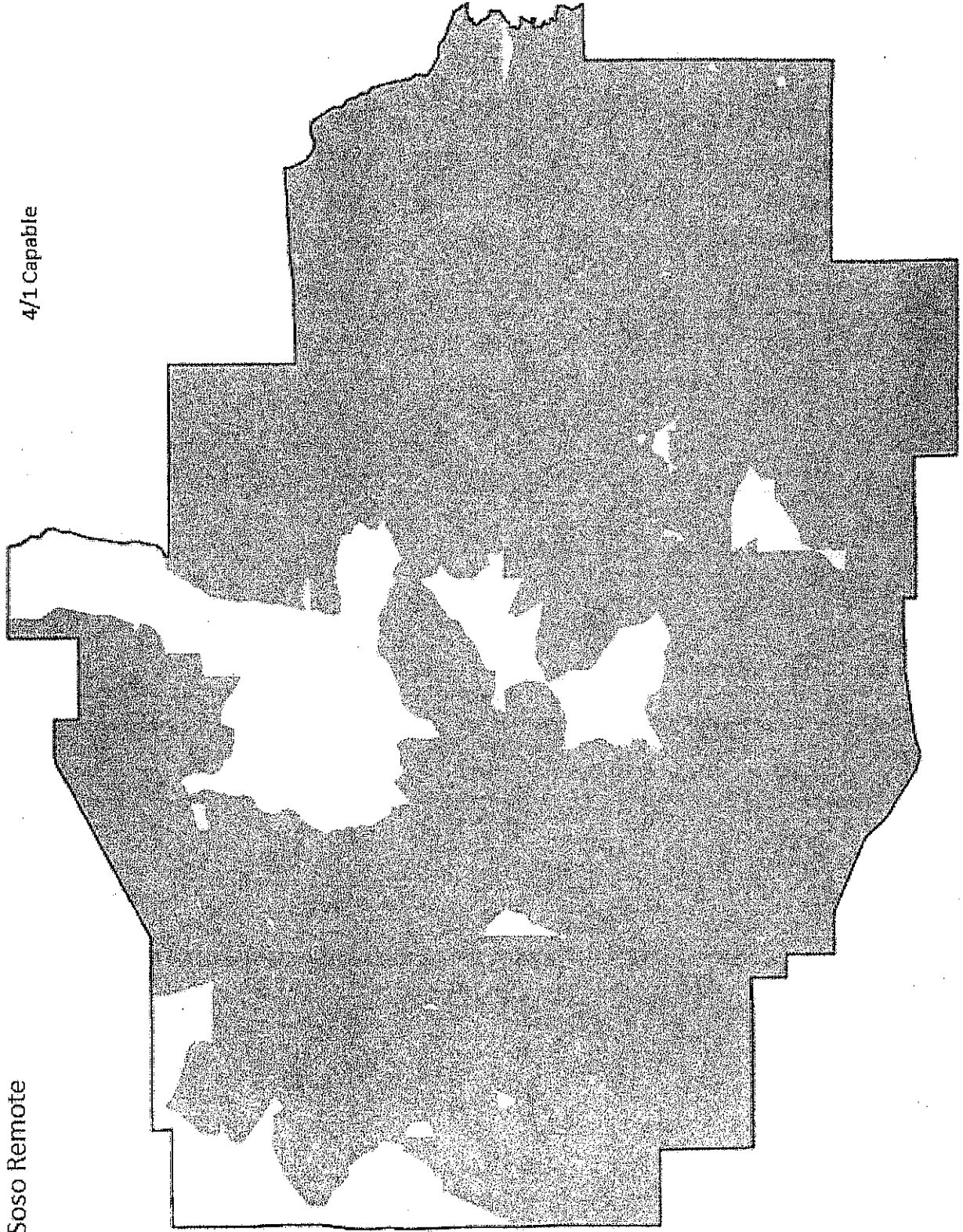
(1) Use the chart below to break out the regulated portion of the cost/expense on a per-year basis
Please note that the 5-Year Plan should include regulated plant/expenses only.

Regulated Capital Expenditure (CapEx) Projections						
Account	Description	2016	2017	2018	2019	2020
2111 & 2121	Land & Building					
2112	Vehicles					
2122-2124	Support Assets					
2210	Switching Equipment					
2232	Circuit Equipment					
2410-2440	Cable & Wire Facilities					
1220	Materials & Supplies					
	Total Capital Expenditures					
						Total Projected CapEx 2016-2020

Regulated Operating Expenditure (OpEx) Projections						
Account	Operating Expenses	2016	2017	2018	2019	2020
6110-6120	General Support Maintenance					
6210	Switching Maintenance					
6230	COE Transmission Maintenance					
6410	Cable & Wire Facilities					
6530	Non-Specific (Testing, Plant Op., Engineering)					
6561-2110	General Support Depreciation					
6561-2210	Switching Depreciation					
6561-2230	Circuit Equip Depreciation					
6561-2410	Cable & Wire Depreciation					
6610-6620	Customer Operations					
6711-6720	Corporate Operations					
7240	Ad Valorem Expense					
	Total Operating Expenses					
						Total Operating Expenses 2016-2020

Soso Remote

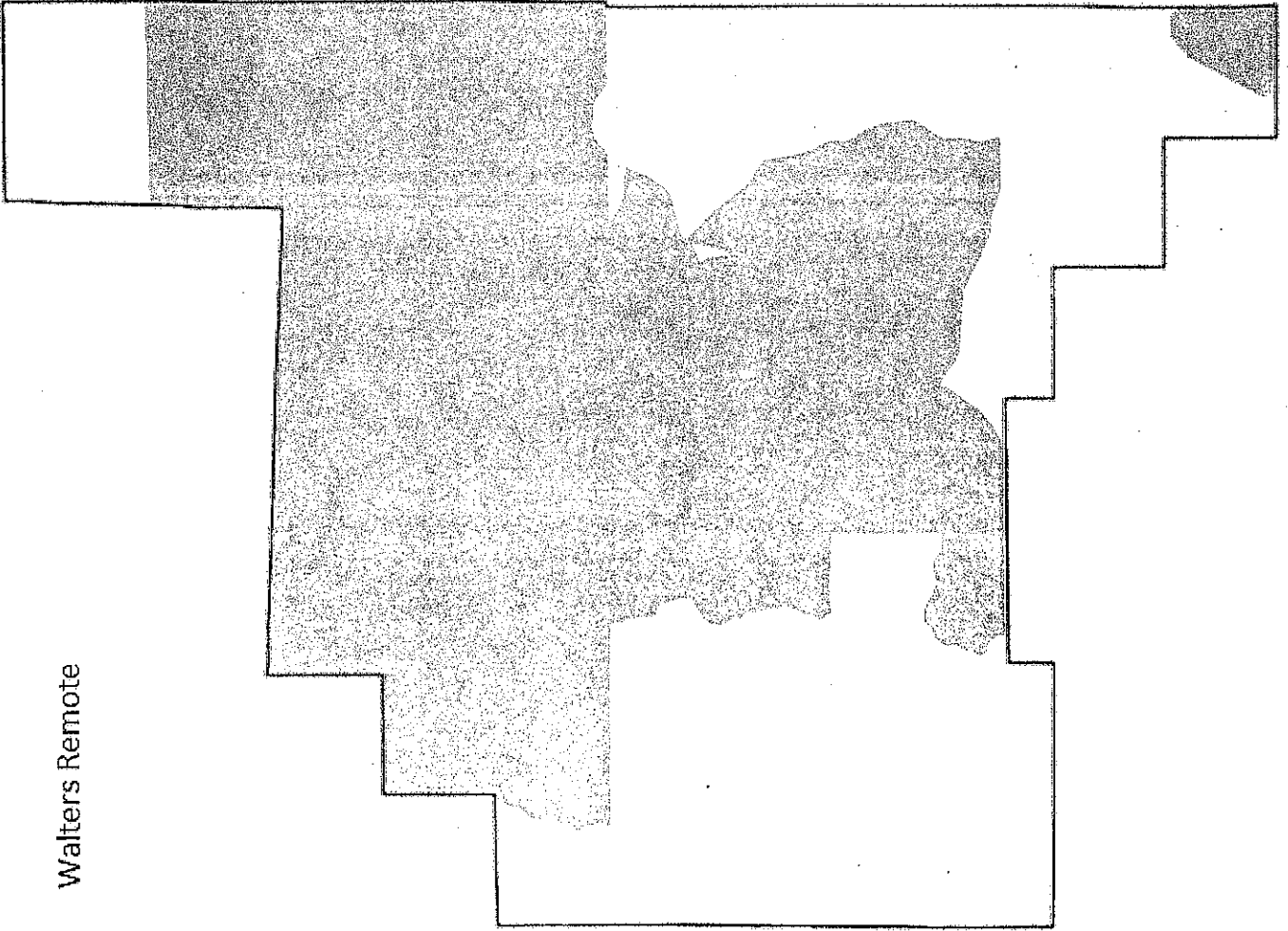
10/1 Capable
4/1 Capable

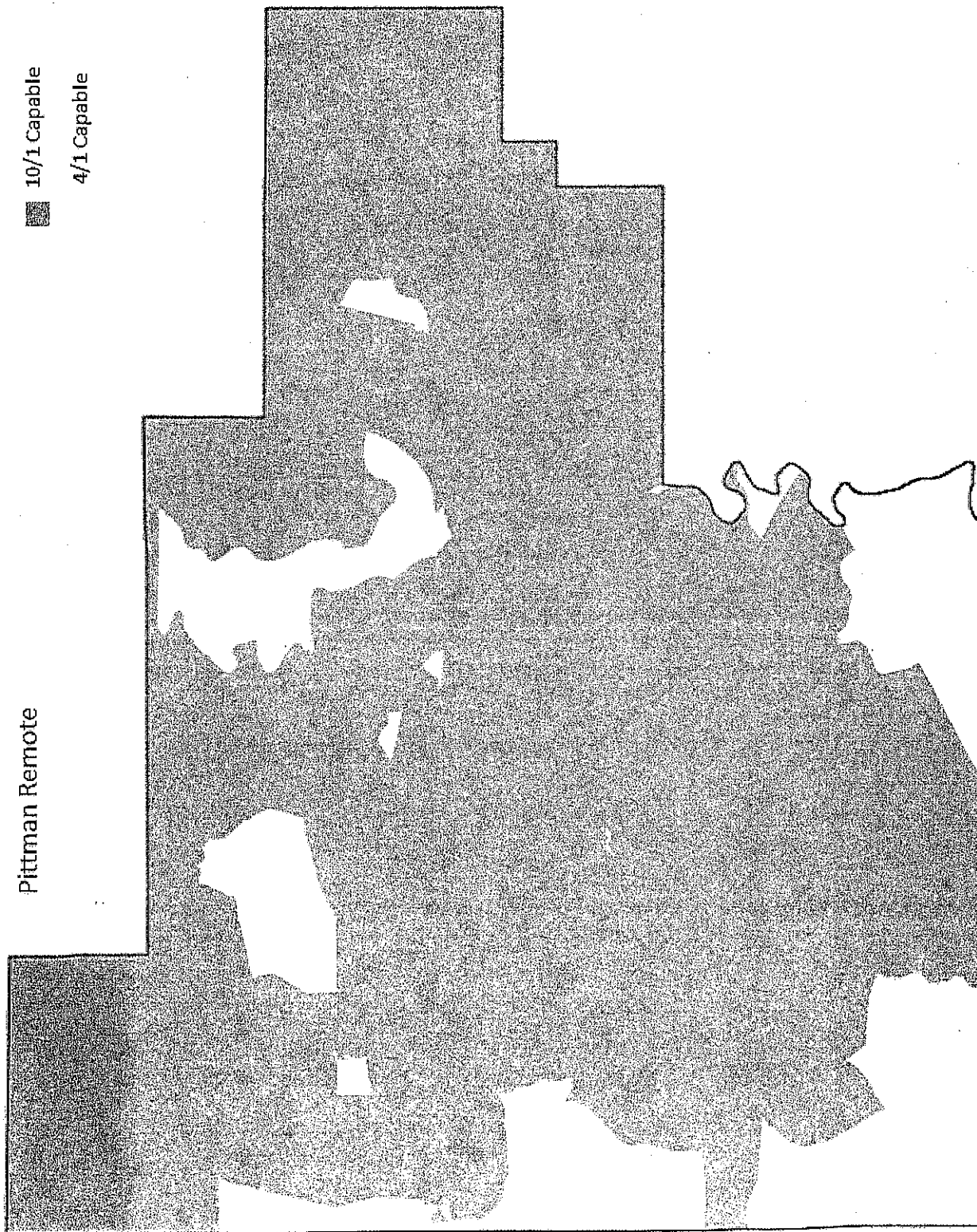


Walters Remote

10/1 Capable

4/1 Capable



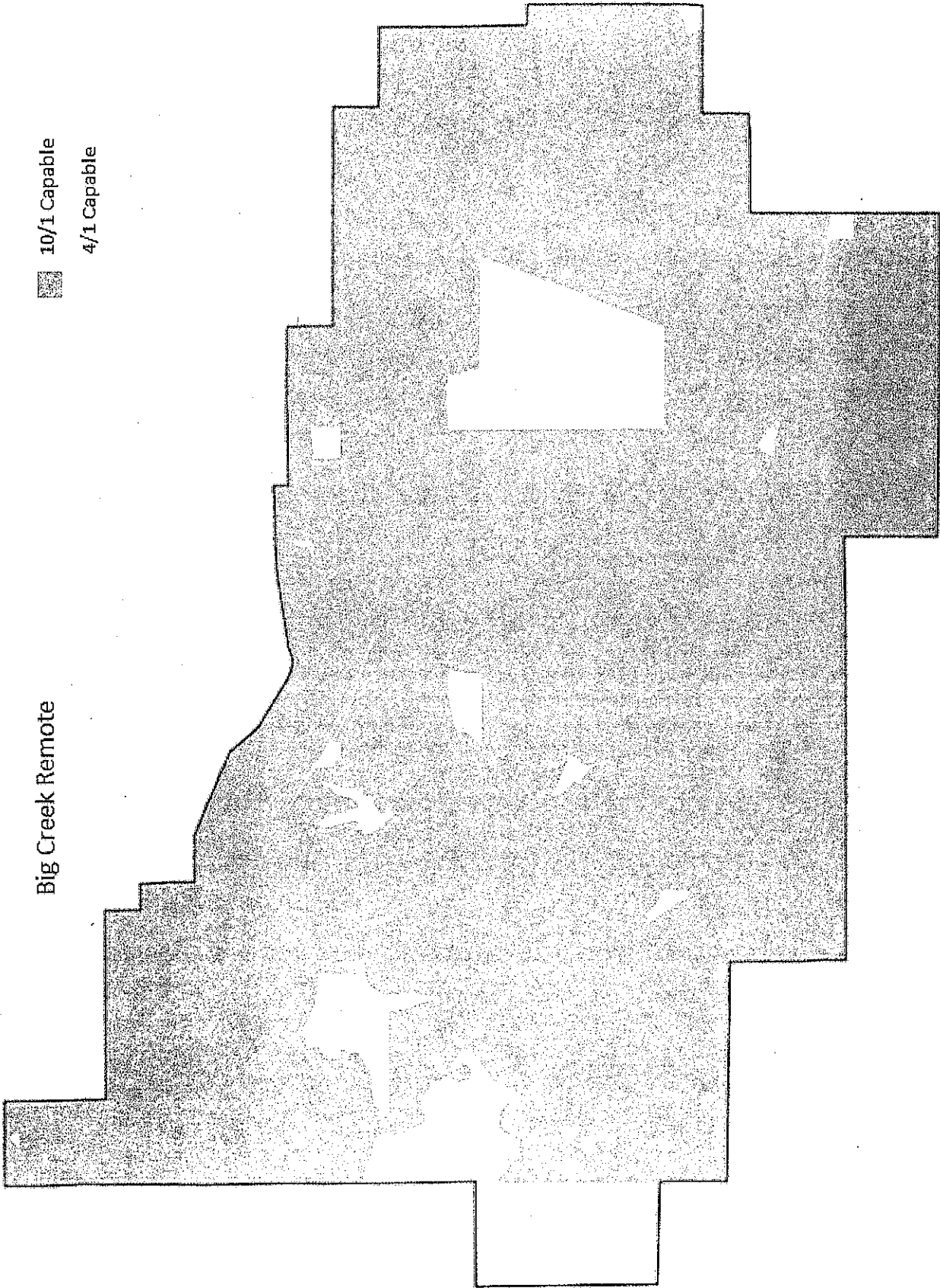


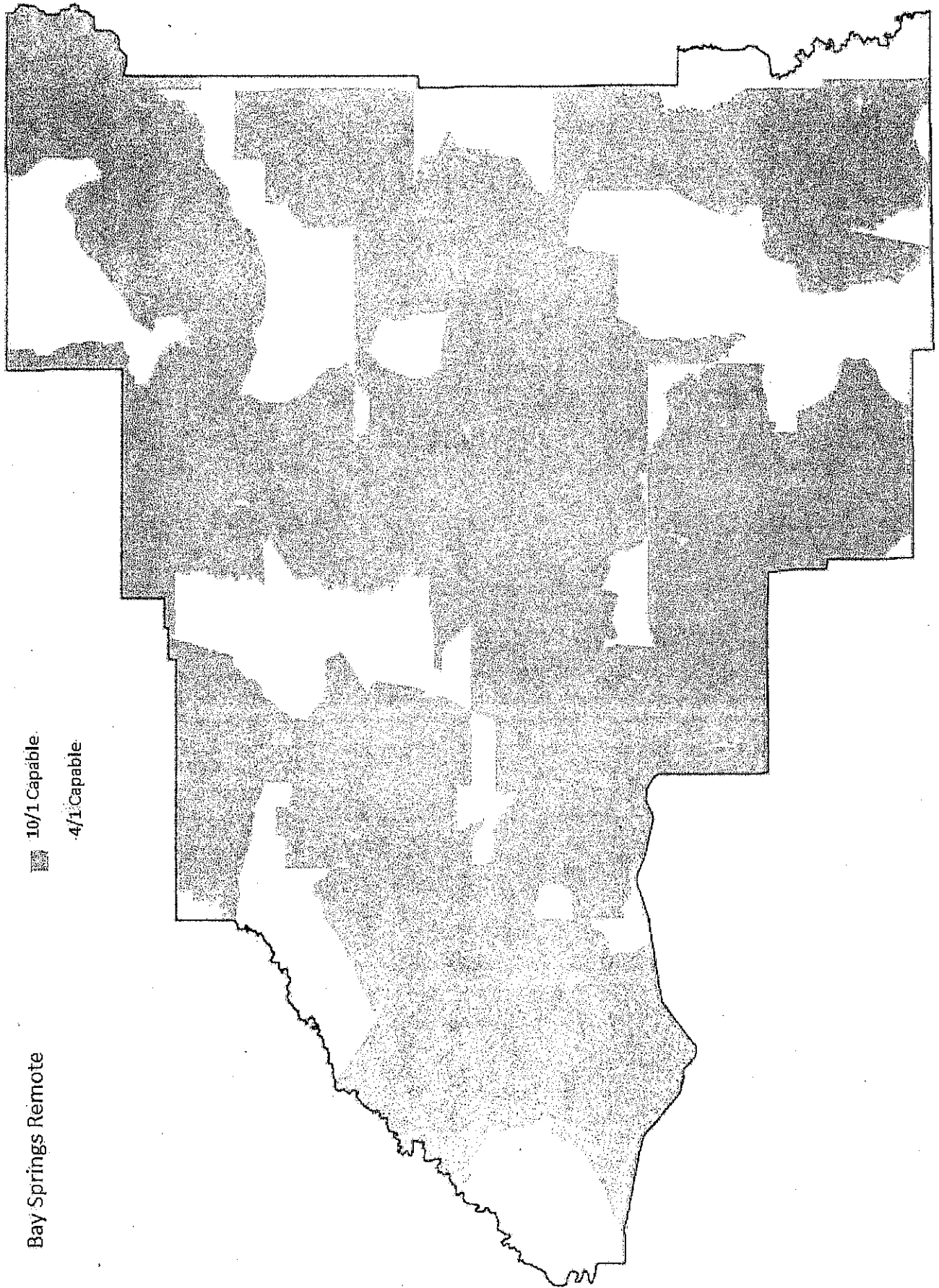
10/1 Capable

4/1 Capable



Big Creek Remote





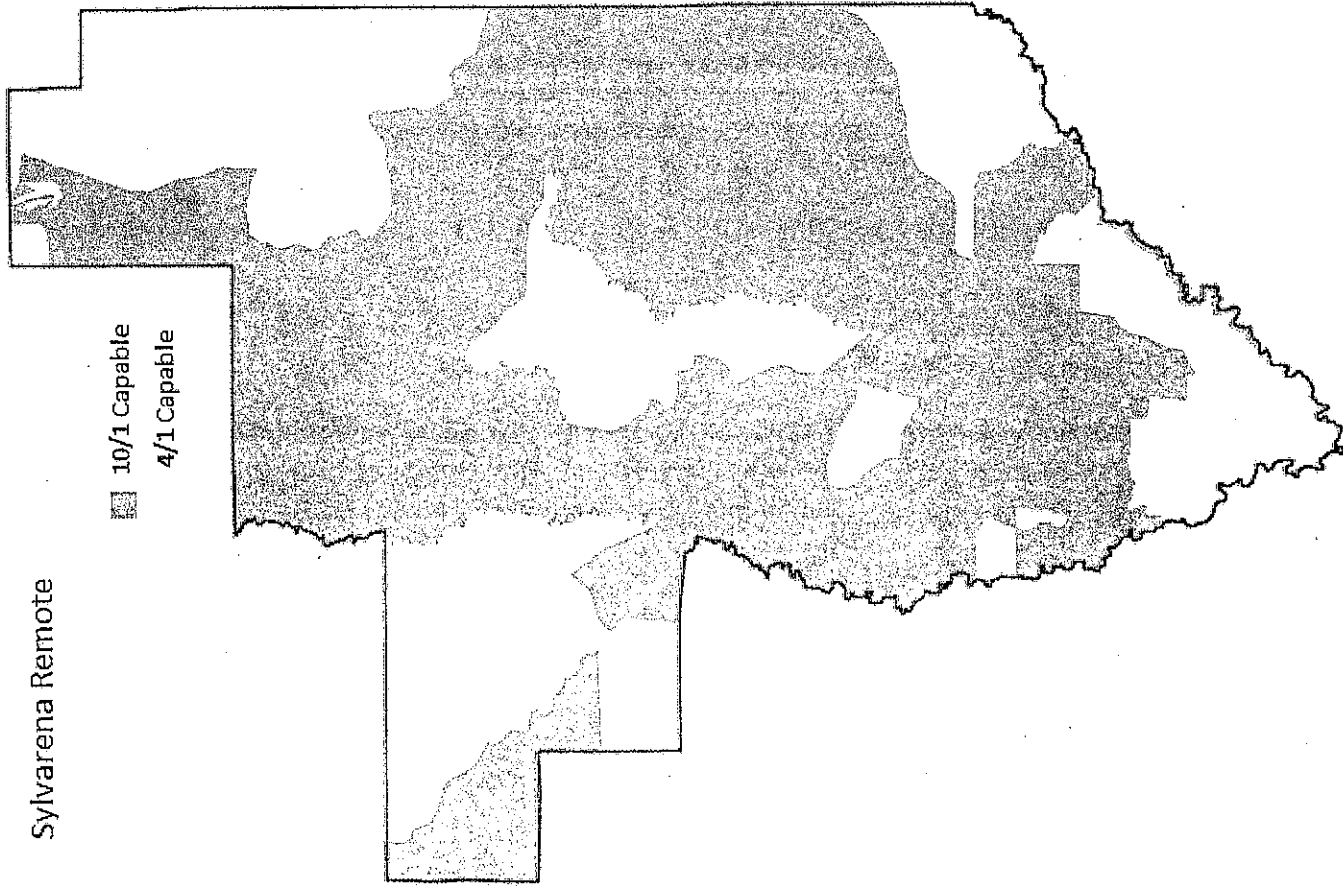
10/1 Capable

4/1 Capable

Bay Springs Remote

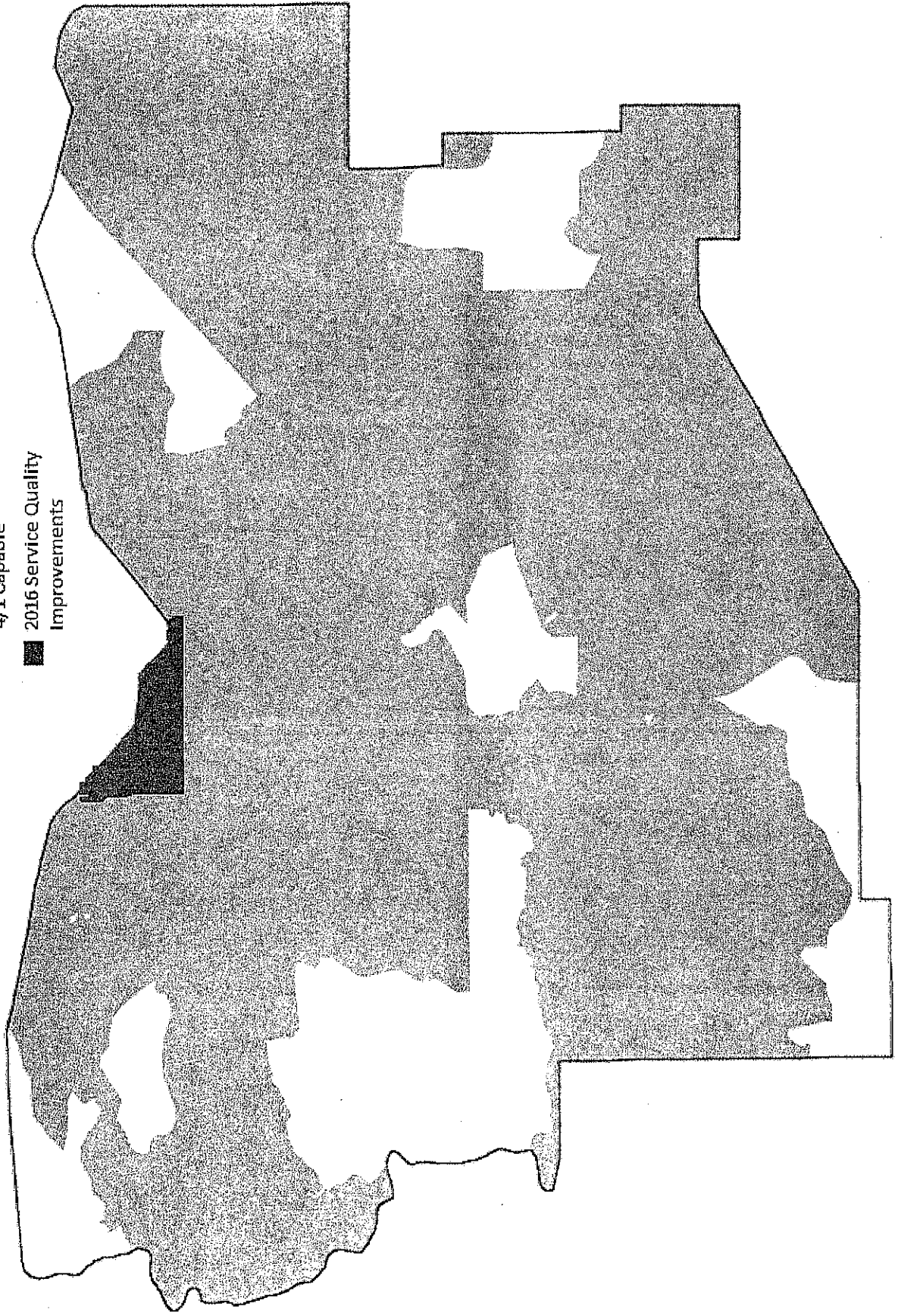
Sylvarena Remote

10/1 Capable
4/1 Capable

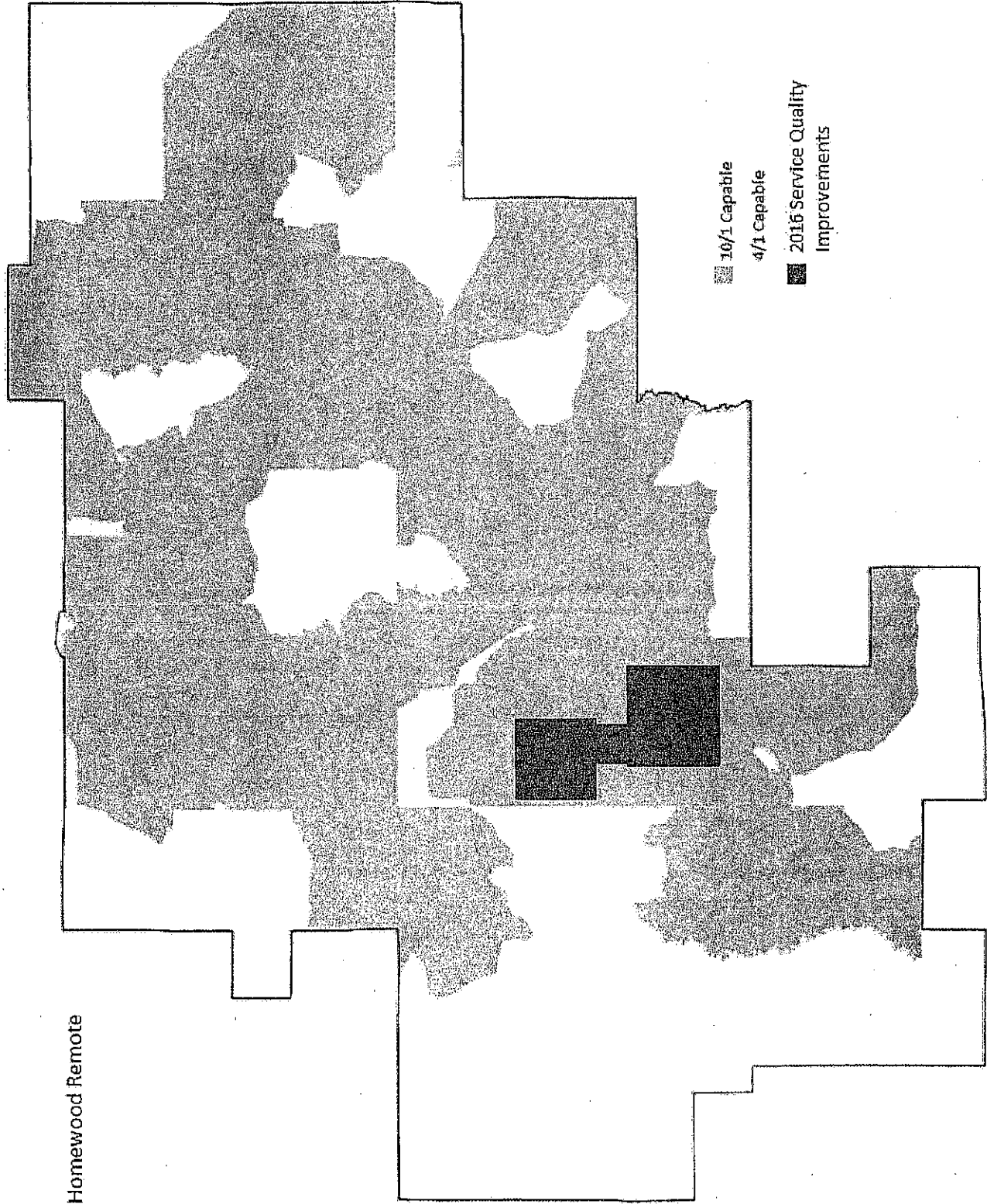


Old Taylorsville Remote

- 10/1 Capable
- 4/1 Capable
- 2016 Service Quality Improvements

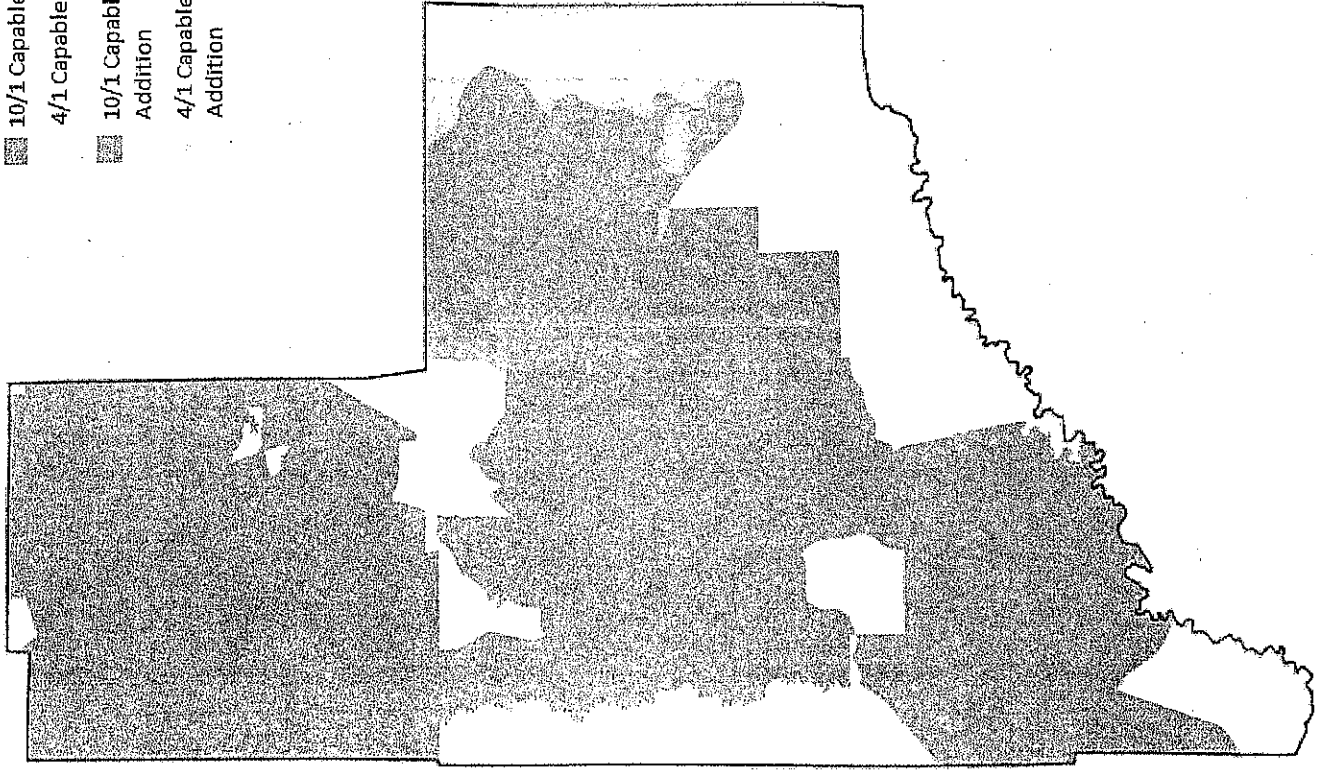


Homewood Remote



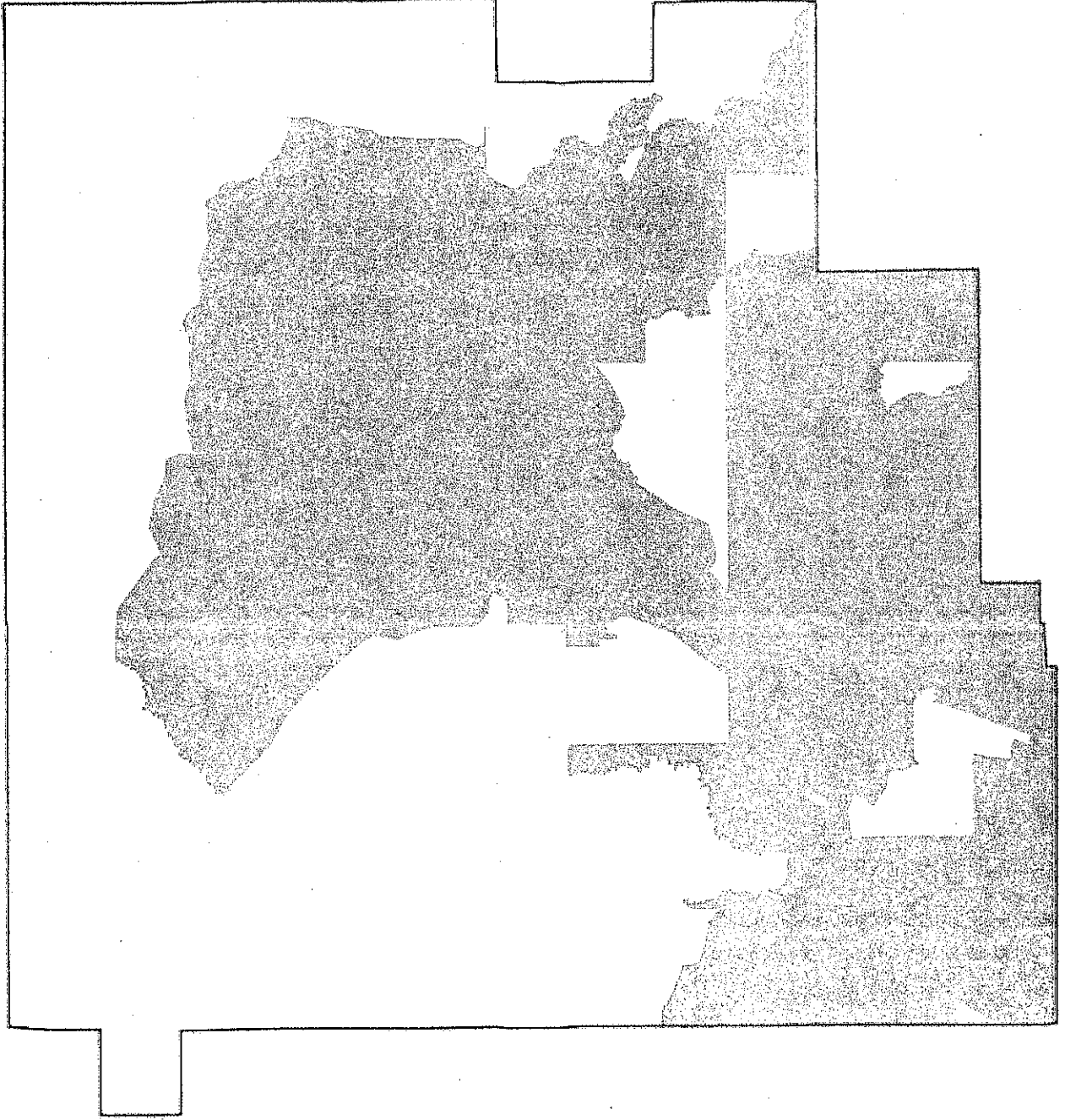
Polkville Remote

- 10/1 Capable
- 4/1 Capable
- 10/1 Capable after 2017 Addition
- 4/1 Capable after 2017 Addition





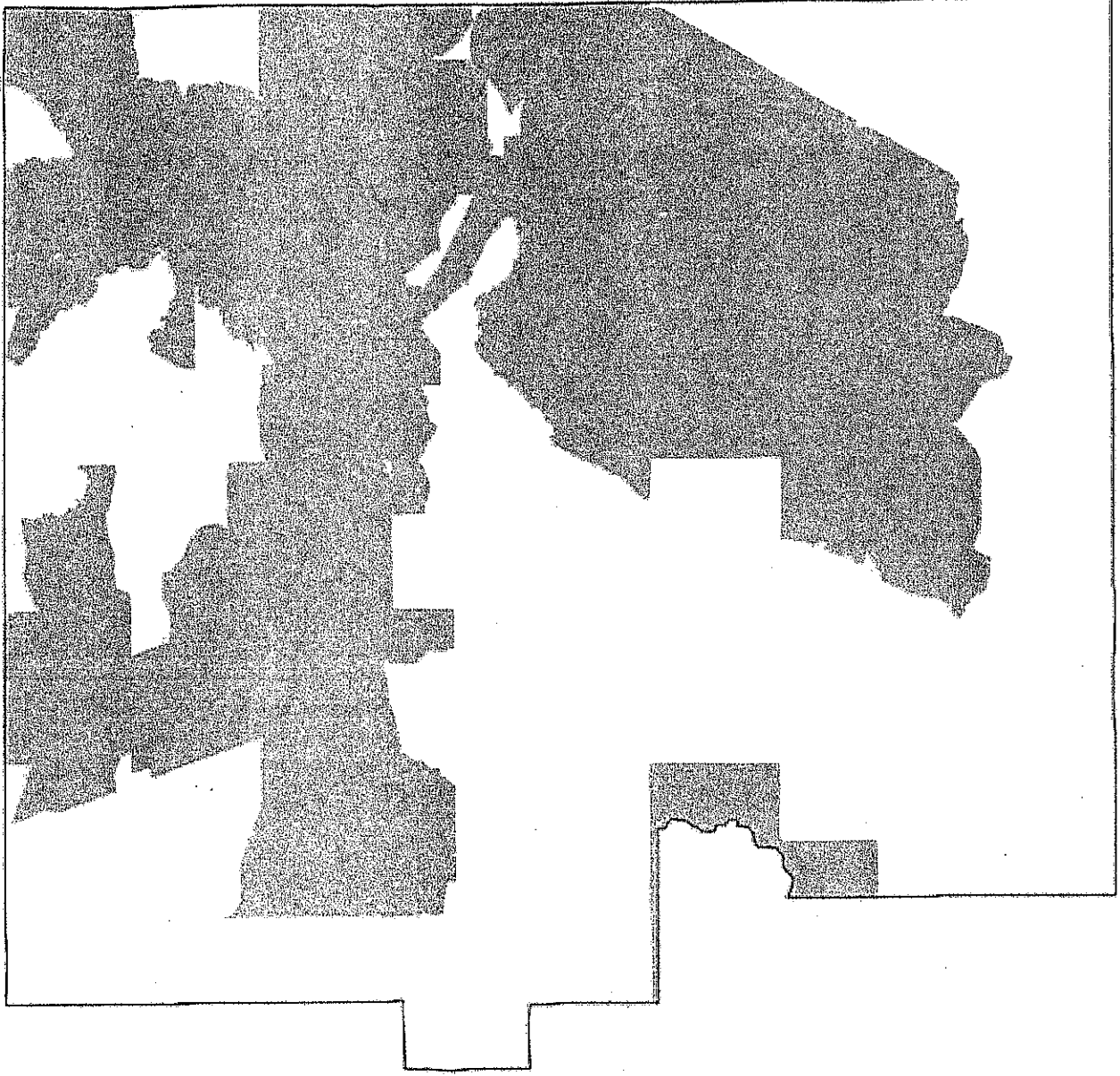
Louin Remote

10/1 Capable
4/1 Capable

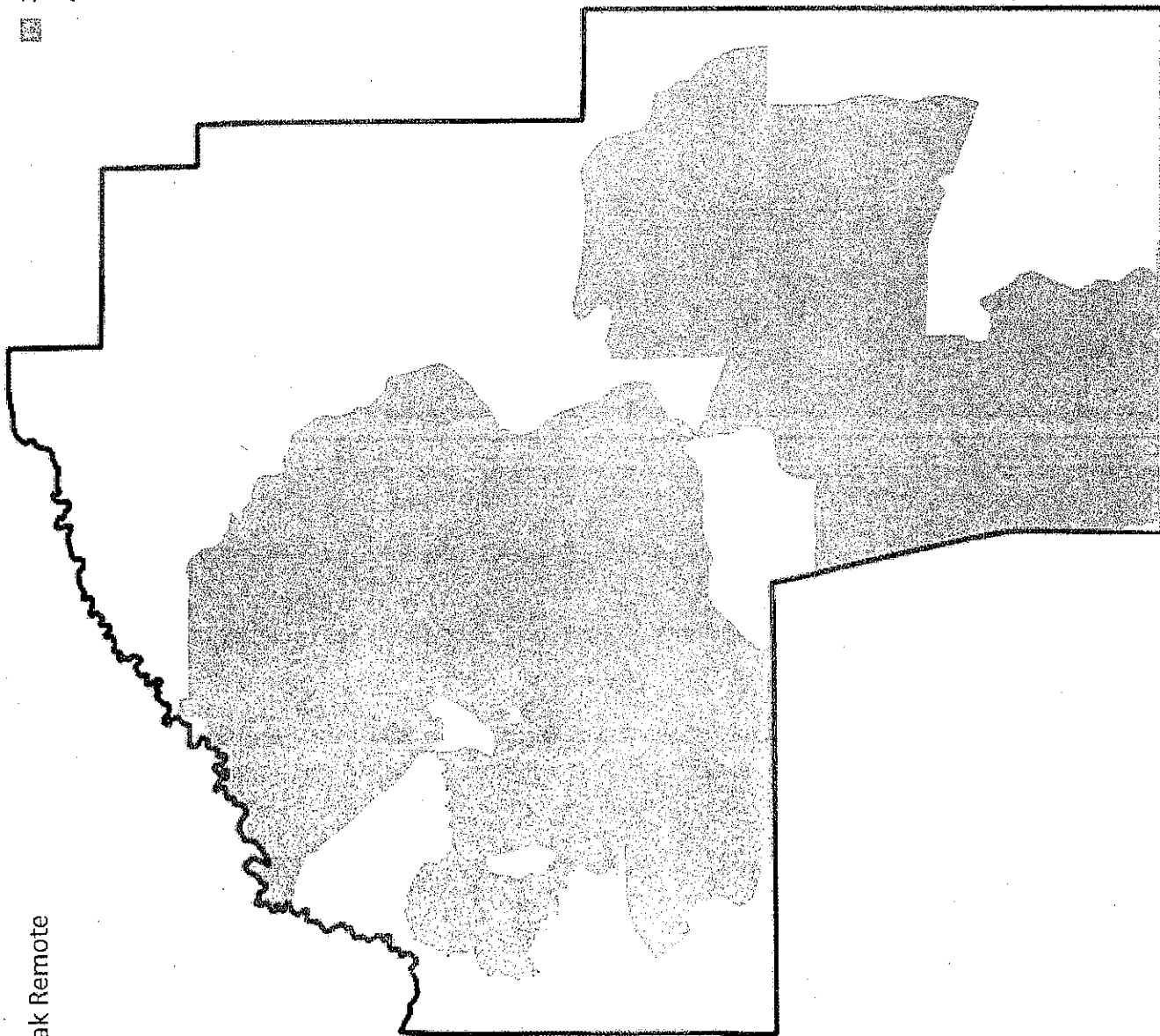


Rose Hill Remote

 10/1 Capable
 4/1 Capable



10/1 Capable
4/1 Capable



White Oak Remote

Determination of Reasonableness

In its *March 5, 2013 Order*, the Commission stated, "We encourage rate-of-return carriers to explain in their five-year plans what criteria the carrier will use to determine whether a request for broadband is reasonable and how the carrier will decide which areas are feasible to extend terrestrial broadband service to, and which areas are not feasible to serve with terrestrial technologies, given current funding levels."¹⁵ Bay Springs hereby responds to the Commission's invitation and provides the following: Bay Springs maintains a broadband internet service request list. Once the threshold of seven requests in a given area is achieved a facilities and demographic study on the area will be generated to determine if the area meets the minimum density for a broadband aggregation device to be deployed.

1. Bay Springs Telephone Company, Inc.'s demonstration of complying with applicable service quality standards and consumer protection rules:

In establishing this certification in its *2005 ETC Order*,¹ the FCC found that an ETC must make "a specific commitment to objective measures to protect consumers."² The Commission found that for wireless ETCs, compliance with CTIA's Consumer Code for Wireless Service would satisfy this requirement" and that the sufficiency of other commitments would be considered on a case-by-case basis.³ In this context, the FCC stated, "to the extent a wireline or wireless ETC applicant is subject to consumer protection obligations under state law, compliance with such laws may meet our requirement."⁴

Bay Springs Telephone Company, Inc. ("Company") hereby certifies that it is complying with applicable service quality standards and consumer protection rules. The Company is subject to consumer protection obligations under state law. These obligations include, but are not limited to, the following: (1) filing a Local Exchange Tariff pursuant to the requirements of Mississippi Public Service Commission which disclose rates, terms and conditions of service to customers; (2) adherence to state consumer protection requirements governing telephone providers under Title 39 Utilities, Part III Rules and Regulations Governing Public Utility Service , Subpart 1, General

¹ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, FCC 05-46 (rel. Mar. 17, 2005) ("*2005 ETC Order*").

² *Id.* at para. 28.

³ *Id.* The FCC noted that under the CTIA Consumer Code, wireless carriers agree to: "(1) disclose rates and terms of service to customers; (2) make available maps showing where service is generally available; (3) provide contract terms to customers and confirm changes in service; (4) allow a trial period for new service; (5) provide specific disclosures in advertising; (6) separately identify carrier charges from taxes on billing statements; (7) provide customers the right to terminate service for changes to contract terms; (8) provide ready access to customer service; (9) promptly respond to consumer inquiries and complaints received from government agencies; and (10) abide by policies for protection of consumer privacy." *Id.* at n. 71.

⁴ *Id.* at n. 72.

Bay Springs Telephone Company, Inc.

Rules, and Subpart 3, Special Rules – Telephone Companies, including requirements for customer service, billing, consumer complaints, rates and charges, and under Miss. Code Ann. Title 77, Chapter 3 statutes; and (3) truth-in-billing requirements; and (4) CPNI, Red Flag Rules and other applicable federal and state requirements governing the protection of customers' privacy.

2. Bay Springs Telephone Inc's Ability to Function in Emergency Situations

Bay Springs Telephone Company, Inc. ("Company") hereby certifies that it is able to function in emergency situations as set forth in §54.202(a)(2).⁵ The Company's network is designed to remain functional in emergency situations without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations as required by Section 54.202(a)(2). The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require.

Specifically, each central office building is supplied with standby generators and battery back-up that enable the central office to keep running until power is restored so long as fuel is available, or until system changes are made to reroute traffic. The Company has battery backup at all office locations and in its electronic equipment sites. Length of run time is determined by the equipment serving the area and the number of customers working out of the equipment. Generators are installed at all Central Office locations. They will continue to run as long as the Company has access to propane.

⁵ Section 54.202(a)(2) requires ETCs that are designated by the Commission to "demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations."

Voice Services Rate Comparability

Bay Springs Telephone Company, Inc.'s calculation for rate floor certification:

Bay Springs Telephone Company, Inc. (Bay Springs) certifies that its pricing of fixed voice services is no more than two standard deviations above the applicable national average urban rate floor for voice services. Bay Springs calculates the average local voice rate using the following formula:

Local Rate + State SLC + State USF + Mandatory EAS

The local rate for Bay Spring's customers is \$22.75, there is no state SLC or USF and no mandatory EAS. Based on the formula above, Bay Springs Residential rates are \$22.75, well below the threshold of \$41.07 set by the Wireline Competition Bureau.

Broadband Services Rate Comparability**Bay Springs Telephone Company, Inc.'s calculation for rate floor certification:**

Bay Springs Telephone Company, Inc. (Bay Springs) certifies that its pricing of fixed broadband services is no more than the benchmark rate set by the wireline competition bureau. Using the FCC Reasonable Comparability Benchmark Calculator Bay Springs found that its broadband service offerings are lower on many packages that meet the minimum requirements.

4Mbps Download/1Mbps Upload 300 GB Usage Allowance

Benchmark = \$72.45

Bay Springs Price = \$54.95

5Mbps Download/2Mbps Upload 300 GB Usage Allowance

Benchmark = \$72.80

Bay Springs Price = \$64.95

Bay Springs Telephone Company Inc.

List of New Community Anchor Institutions

Deloach Family Clinic

347 Magnolia Dr, Raleigh, MS 39153
Activation Date: 11/25/2015

Multi-county Community Services

111 W 3rd St, Forest, MS 39074
Activation Date: 1/16/2015

Jasper County Center

3209 HWY 15, Bay Springs, MS 39422
Activation Date: 7/28/2015

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Bay Springs Telephone Company, Inc. (Prepared with Audited Data)	
INSTRUCTIONS- Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.	PERIOD ENDING December, 2015	BORROWER DESIGNATION MS0506
CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII (Check one of the following)		
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects. </div> <div style="width: 45%;"> <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report </div> </div>		
James Garner	3/29/2016 DATE	

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund	0	0	26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable	0	0	29. Current Mat. L/T Debt		
c. Notes Receivable	0	0	30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable	0	0	34. Other Current Liabilities		
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes	0	0
9. Other Current Assets			38. Funded Debt-FFB Notes	0	0
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other	0	0
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan	0	0
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt	0	0
a. Rural Development			42. Reacquired Debt	0	0
b. Nonrural Development	0	0	43. Obligations Under Capital Lease	0	0
12. Other Investments			44. Adv. From Affiliated Companies	0	0
a. Rural Development	0	0	45. Other Long-Term Debt	0	0
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities	0	0
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences	0	0
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock	0	0
21. Plant Adj., Nonop. Plant & Goodwill	0	0	54. Membership and Cap. Certificates	0	0
22. Less Accumulated Depreciation			55. Other Capital	0	0
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits	0	0
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = 72.67% % of Total Assets

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

MS0506

PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues	15	
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense	0	0
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction	7	
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences	0	
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29+30-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date	0	0
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)	0	0
37. Other Debits Year-to-Date	0	0
38. Transfers to Patronage Capital	0	0
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]		
40. Patronage Capital Beginning-of-Year	0	0
41. Transfers to Patronage Capital	0	0
42. Patronage Capital Credits Retired	0	0
43. Patronage Capital End-of-Year (40+41-42)		0
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

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Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Bay Springs	30.70	20.75	620	1,241	1,861	762.00	53.00
Big Creek	30.70	20.75	40	623	663	349.00	36.00
Homewood	30.70	20.75	33	583	616	388.00	41.00
Louin	30.70	20.75	23	328	351	217.00	13.00
Old Taylorsville	30.70	20.75	11	191	202	142.00	14.00
Pittman	30.70	20.75	14	496	510	265.00	22.00
Polkville	30.70	20.75	16	276	292	153.00	23.00
Rose Hill	30.70	20.75	38	590	628	436.00	30.00
Soso	30.70	20.75	106	1,215	1,321	695.00	76.00
Sylvarena	30.70	20.75	12	342	354	214.00	23.00
Walters	30.70	20.75	14	304	318	150.00	12.00
White Oak	30.70	20.75	9	149	158	130.00	15.00
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			936	6,338	7,274	3,901.00	358.00
No. Exchanges	12						

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Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Details on Least Expensive Broadband Service					
			Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Bay Springs	1,793	875	21	256	256	24.95	StandAlone	DSL
Big Creek	633	336	2	256	256	24.95	StandAlone	DSL
Homewood	535	288	7	256	256	24.95	StandAlone	DSL
Louin	323	199	8	256	256	24.95	StandAlone	DSL
Old Taylorsville	196	127	0	256	256	24.95	StandAlone	DSL
Pittman	497	346	0	256	256	24.95	StandAlone	DSL
Polkville	278	169	3	256	256	24.95	StandAlone	DSL
Rose Hill	546	317	4	256	256	24.95	StandAlone	DSL
Soso	1,294	738	10	256	256	24.95	StandAlone	DSL
Sylvarena	263	150	1	256	256	24.95	StandAlone	DSL
Walters	297	209	4	256	256	24.95	StandAlone	DSL
White Oak	135	85	1	256	256	24.95	StandAlone	DSL
Total	6,790	3,839						

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PART D. SYSTEM DATA					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile	
27	15	1,201	6.06	1.86	
PART E. TOLL DATA					
1. Study Area ID Code(s) a. 280446 b. _____ c. _____ d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____		2. Types of Toll Settlements (Check one) <div style="display: flex; justify-content: space-between;"> <div> Interstate: <input type="checkbox"/> Average Schedule Intrastate: <input type="checkbox"/> Average Schedule </div> <div> <input checked="" type="checkbox"/> Cost Basis <input checked="" type="checkbox"/> Cost Basis </div> </div>			
PART F. FUNDS INVESTED IN PLANT DURING YEAR					
1. RUS, RTB, & FFB Loan Funds Expended					0
2. Other Long-Term Loan Funds Expended					0
3. Funds Expended Under RUS Interim Approval					0
4. Other Short-Term Loan Funds Expended					0
5. General Funds Expended (Other than Interim)					[REDACTED]
6. Salvaged Materials					0
7. Contribution in Aid to Construction					0
8. Gross Additions to Telecom. Plant (1 thru 7)					[REDACTED]
PART G. INVESTMENTS IN AFFILIATED COMPANIES					
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development			[REDACTED]		[REDACTED]
2. Investment in Affiliated Companies - Nonrural Development					

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PART H. CURRENT DEPRECIATION RATES

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

☒ YES ☐ NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	20.00%
2. Land and support assets - Aircraft	20.00%
3. Land and support assets - Special purpose vehicles	20.00%
4. Land and support assets - Garage and other work equipment	20.00%
5. Land and support assets - Buildings	2.50%
6. Land and support assets - Furniture and Office equipment	8.30%
7. Land and support assets - General purpose computers	33.34%
8. Central Office Switching - Digital	10.00%
9. Central Office Switching - Analog & Electro-mechanical	10.00%
10. Central Office Switching - Operator Systems	10.00%
11. Central Office Transmission - Radio Systems	6.70%
12. Central Office Transmission - Circuit equipment	10.00%
13. Information origination/termination - Station apparatus	100.00%
14. Information origination/termination - Customer premises wiring	100.00%
15. Information origination/termination - Large private branch exchanges	100.00%
16. Information origination/termination - Public telephone terminal equipment	100.00%
17. Information origination/termination - Other terminal equipment	100.00%
18. Cable and wire facilities - Poles	5.00%
19. Cable and wire facilities - Aerial cable - Metal	6.50%
20. Cable and wire facilities - Aerial cable - Fiber	6.50%
21. Cable and wire facilities - Underground cable - Metal	5.00%
22. Cable and wire facilities - Underground cable - Fiber	5.00%
23. Cable and wire facilities - Buried cable - Metal	5.00%
24. Cable and wire facilities - Buried cable - Fiber	5.00%
25. Cable and wire facilities - Conduit systems	1.70%
26. Cable and wire facilities - Other	5.00%

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INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)			
CASH FLOWS FROM OPERATING ACTIVITIES			
2. Net Income			
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>			
3. Add: Depreciation			
4. Add: Amortization		0	
5. Other (Explain)			
<i>Changes in Operating Assets and Liabilities</i>			
6. Decrease/(Increase) in Accounts Receivable			
7. Decrease/(Increase) in Materials and Inventory			
8. Decrease/(Increase) in Prepayments and Deferred Charges			
9. Decrease/(Increase) in Other Current Assets			
10. Increase/(Decrease) in Accounts Payable			
11. Increase/(Decrease) in Advance Billings & Payments			
12. Increase/(Decrease) in Other Current Liabilities			
13. Net Cash Provided/(Used) by Operations			
CASH FLOWS FROM FINANCING ACTIVITIES			
14. Decrease/(Increase) in Notes Receivable		0	
15. Increase/(Decrease) in Notes Payable		0	
16. Increase/(Decrease) in Customer Deposits			
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)			
18. Increase/(Decrease) in Other Liabilities & Deferred Credits			
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0	
20. Less: Payment of Dividends			
21. Less: Patronage Capital Credits Retired		0	
22. Other (Explain)			
23. Net Cash Provided/(Used) by Financing Activities			
CASH FLOWS FROM INVESTING ACTIVITIES			
24. Net Capital Expenditures (Property, Plant & Equipment)			
25. Other Long-Term Investments			
26. Other Noncurrent Assets & Jurisdictional Differences		0	
27. Other (Explain) Change in Accum. Depr. less Depr. Expense			
28. Net Cash Provided/(Used) by Investing Activities			
29. Net Increase/(Decrease) in Cash			
30. Ending Cash			

Revision Date 2010

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>MS0506</p>
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<p>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	

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CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	